

# **Headquarters U.S. Air Force**

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*I n t e g r i t y - S e r v i c e - E x c e l l e n  
c e*

## **ESC Presidents' Forum**

### **IV**



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**Mr John Gilligan**  
**Principal Deputy**  
**Assistant Secretary for**  
**Business and**  
**Information**  
**Management**

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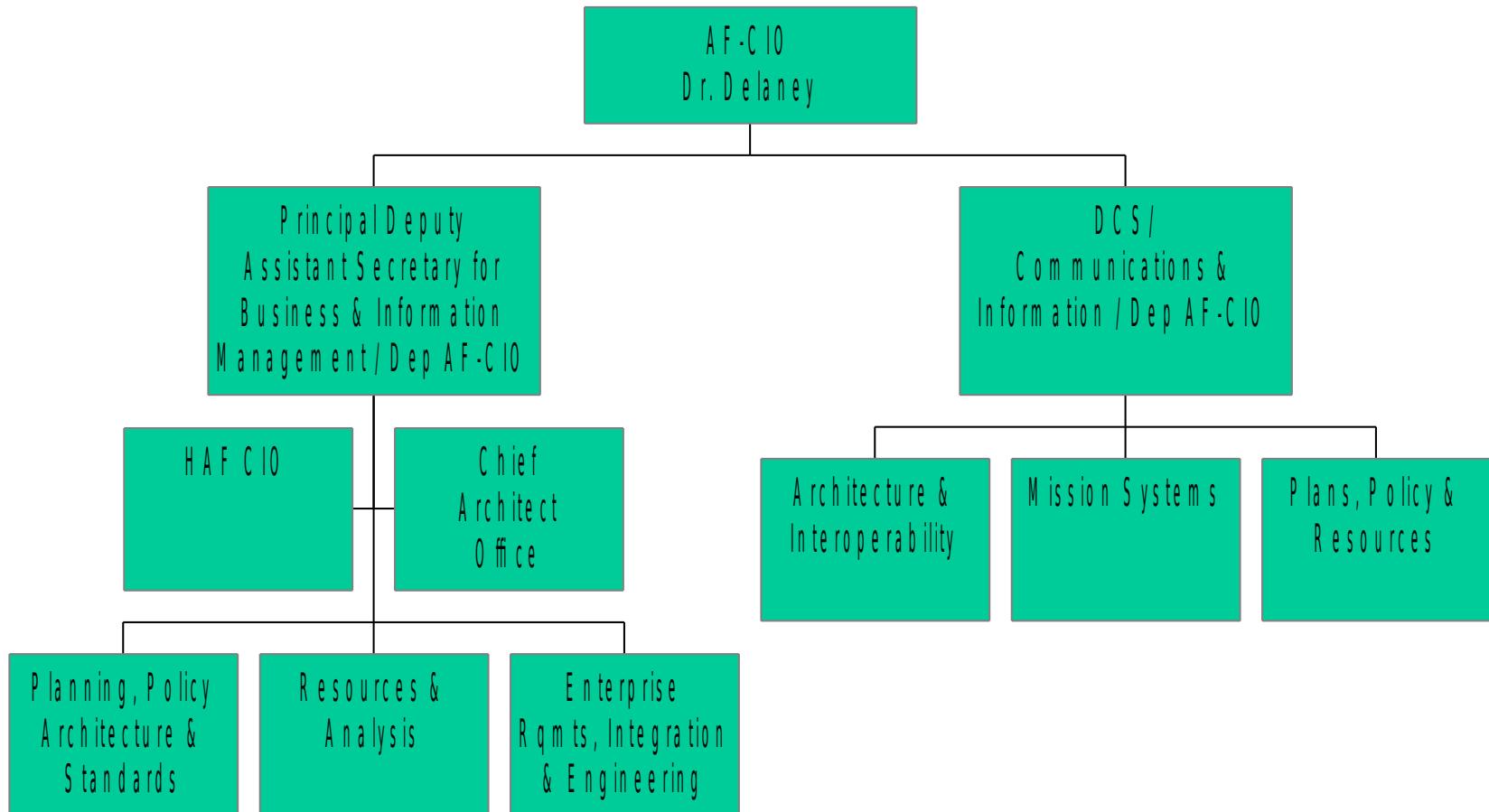
# **Overview**

- **CIO Organization**
- **CIO Roadmap**
- **CIO Framework and Approach**
- **Acquisition Reform -- A Timely Opportunity**
- **Challenge for Presidents' Forum**



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# **CIO Organization**





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# CIO Roadmap

FY 01

- Standards-based portal
- Global Combat Support Systems (GCSS)- AF Spiral 1
- Consolidate servers and network (one base per MAJCOM)
- Develop and publish initial architectures and standards

FY 02

- ~~Institutionalize CIO processnology (IT) Budget~~
- Complete consolidation
- GCSS- AF Spiral 2 -- Cross-function “portal” apps integration
- Expand/update Standards
- Enforce architectures
- Sponsor and track AF business process

FY 03

- ~~Optimize for Improvement~~
- Implement '03 Budget
- Expanded AF Process Improvements and greater IT

leveraging

*Integrity - Service - Excellence*



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# ***Our Challenge Based on Industry Experience***

- **Don't just web-enable... rethink business processes**
- **Move toward enterprise-wide standard business processes/practices/system (IBM, Oracle, EDS)**
- **Align business reengineering with Strategic Objectives**
- **Business-unit managers own and oversee business improvements... CIO helps**

**In AF terms: MAJCOMs / Functionals own and oversee business improvements... CIO helps**

**... and we have examples too!**



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# Air Force Examples

## IT-Leveraged Efficiencies and Savings

**ACC:** Reengineers  
IT purchases with  
ACCWAY

\$47M cost avoidance in FY09  
\$1.37M saved on HW purchases  
79 percent of cost avoidance  
imbedded in processes

**IL:** Improves Availability  
of Weapon System  
Status

Tail-number based NMC status  
from monthly to live  
On-line maintenance trend

~~with~~ **TBMCS!** Web enable Air  
Battle Planning

~~analysis~~  
Smaller footprint  
Improved information access  
Reduced complexity

**Mobility 2000:**  
Reengineers  
Airlift planning &  
~~MPF~~ Online  
military  
personnel services

Decreased mission planning time  
Fewer delays, reduced cost of  
airlift

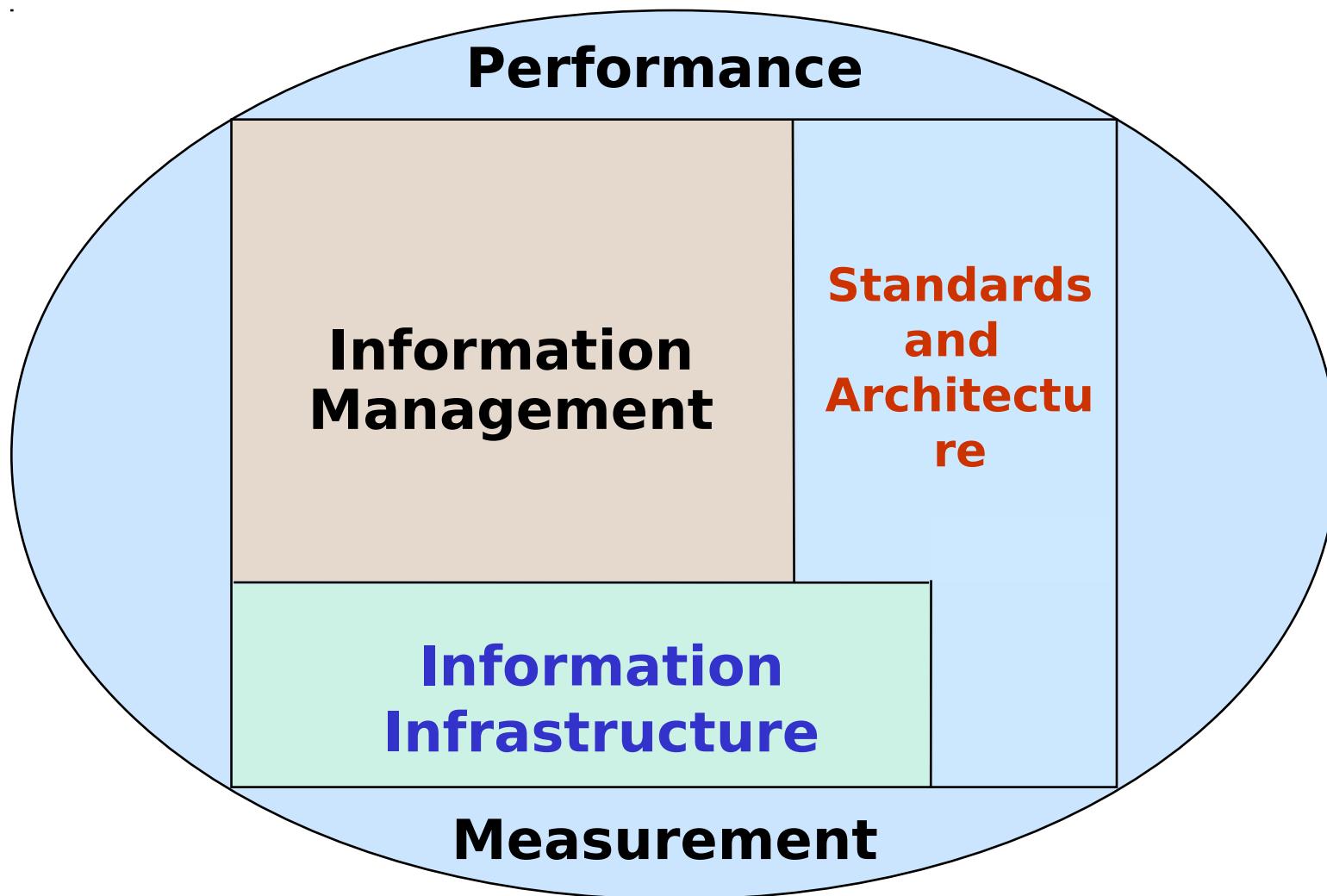
Increased pilot time in air  
Reduces time away from  
flightline

Supports AEF deployed



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# CIO Framework



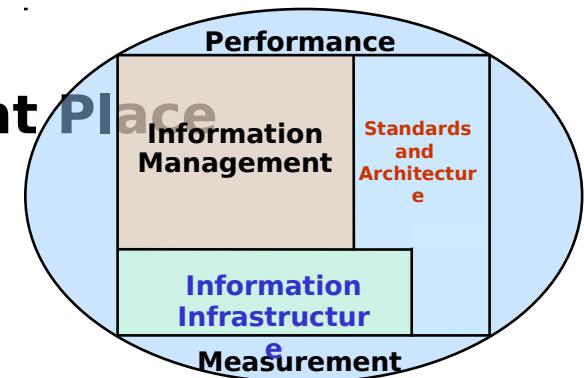


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# Information Management Roadmap

## Objectives:

- Right Information, Right Time, Right Place  
to support decision making
- Authoritative data
- Change processes to improve efficiency



## Next Steps:

- Continue MAJCOM and functional efforts
- AF Portal Operational in CAOC-X and PSAB
- GCCS, TBMCS, GCSS integration
- Develop metrics
  - Show the value of IT investments as they relate to increased warfighter capabilities



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# **Next Steps for Information Management**

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- Continue functional / MAJCOM business improvements using Portal and GCSS Standards
- Use CIO Management Board to evaluate cross-Air Force business improvement strategy
- Begin planning toward Information Management Summit in Summer '01

**“Gathering, moving, and manipulating information is fundamental to everything we do in our Air Force. Information superiority provides our joint team the ability to control and exploit information to our nation’s advantage and ensures we have decision dominance.”**

**Michael E. Ryan, General, Chief of Staff**



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# Information Infrastructure Roadmap

## Objectives:

- Universal access on demand
- Establish and measure a set of service

levels and costs

- Institute universal network management

Progress practices (security, redundancy, etc)

- Email consolidation underway (June '01)

- Server and network consolidation

gameplan

Next Steps:  
1. Case per MAJCOM by Aug 01; all by Sep 02

- Establish requirement, rules, and metrics for total cost of ownership (TCO)

- Consider regional consolidation

- Spiral towards Joint Battlespace Infosphere (JBI)



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# Server Consolidation

## *Definitions and Clarification*

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- **What is Meant by “Consolidation” of Servers?**
  - **Physical** consolidation - actual collocation of servers themselves, or purchase of server/SAN solution in one location. Count the reduced number of servers
  - **Logical/virtual** consolidation - physically locking down servers and then remotely managing/administering the servers. Count the remote management locations, not the servers themselves.
  
- **What are the Different Types of Servers to be Consolidated?**
  - Email
  - Web
  - File/Print
  - Functional Application
  - Classified



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# What to Bring to the Portal?

- CSAF/SECAF 3 Jan 01 memo says,  
“move all “unclassified” applications to the  
Air Force portal by 1 Jul 01”
- What does “all” mean?
  - Just that: All applications available  
through the portal unless there is a valid  
reason to grant a waiver
- MAJCOMs and Functionals own the Waiver  
process

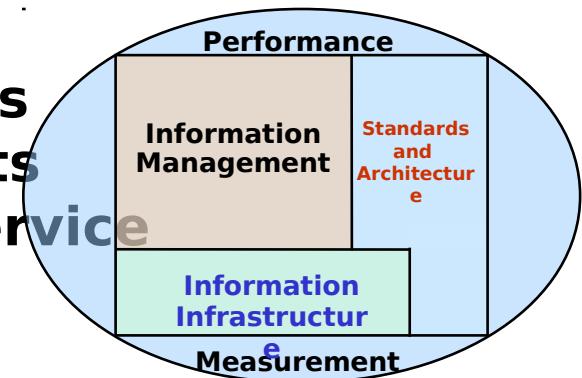


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# Standards and Architecture Roadmap

## Objectives:

- **Institutionalize architecture process**
- **Use standards to guide all AF efforts**
- **Common IT business rules - e.g., service level agreement process**



## Progress:

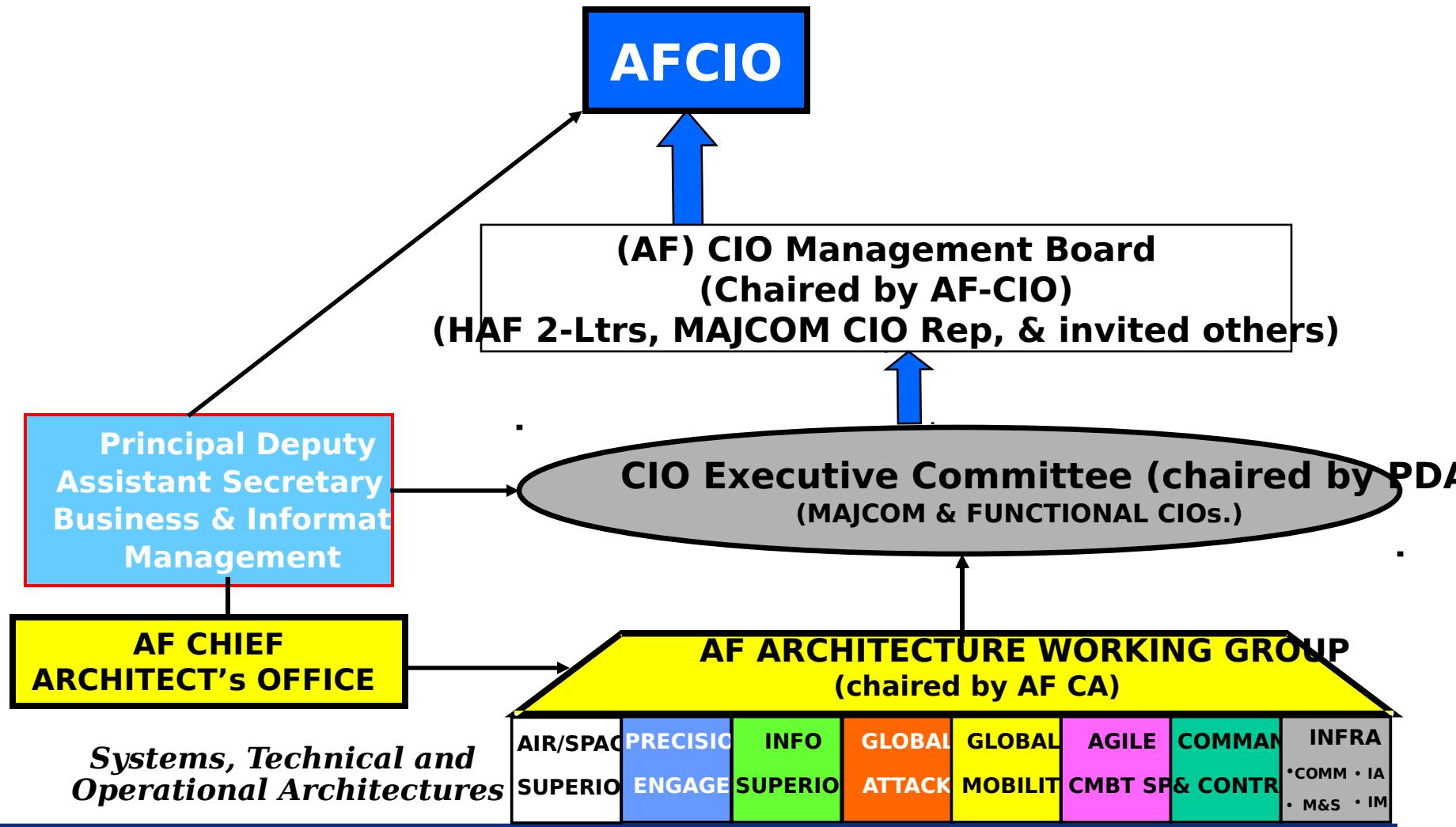
- **Established AF Chief Architecture Office**
- **Portal policy and guidance provided**

## Next Steps:

- **Initial GESS-AF standards issued**
- **Continue to mature technical & operational architecture processes and products**
- **Establish key standards (XML, IP, security)**
- **Establish business processes and metrics (total cost tracking, Integrity - Service - Excellence)**



# AF-CIO Architecture Review Process



*Systems, Technical and Operational Architectures*

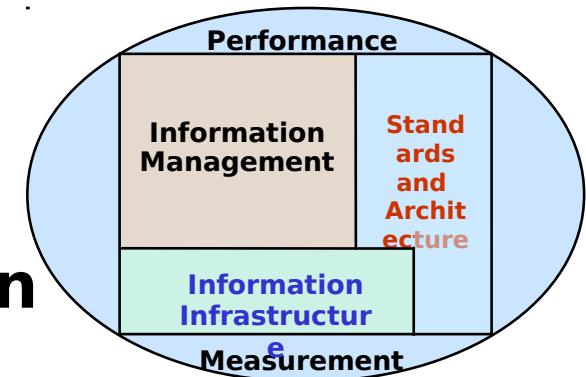


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# Performance Measurement Roadmap

## Objectives:

- **Measure What's Important ...  
Not Just What You Can**

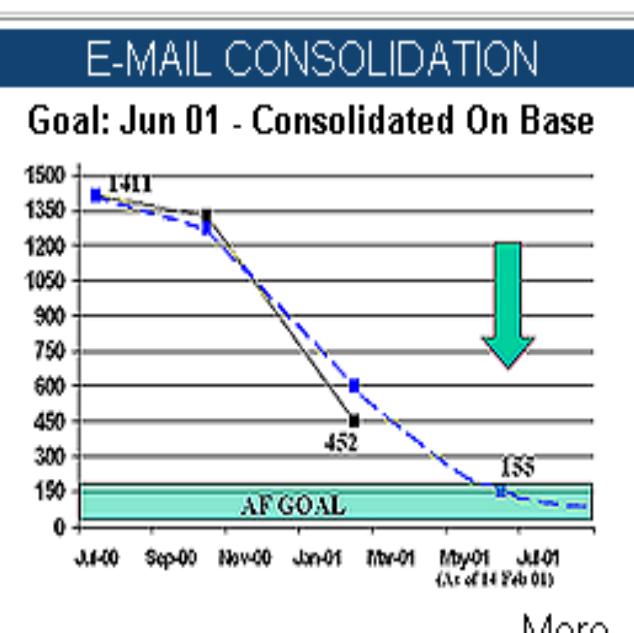
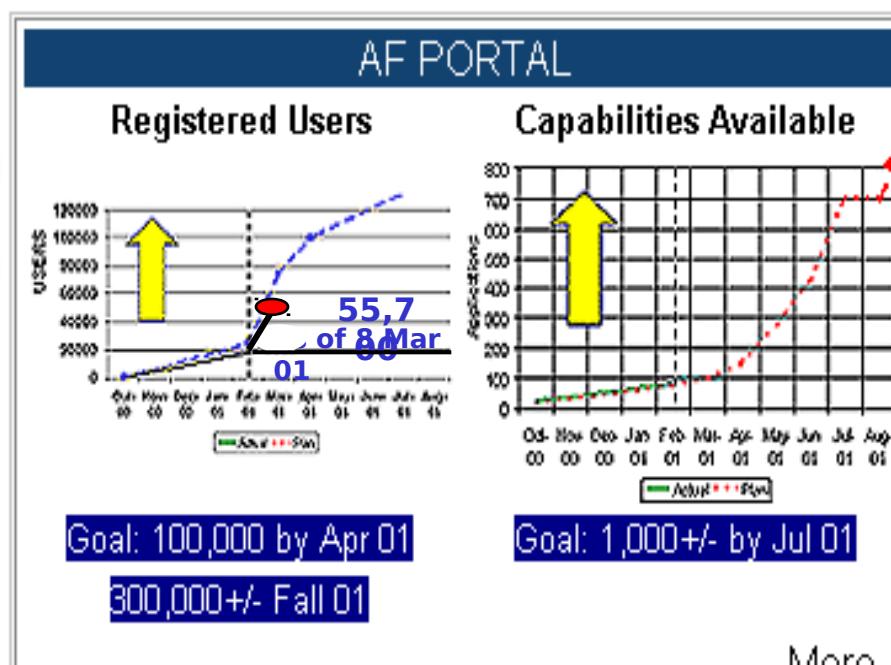


## Progress:

- **CIO Heads Up Display (HUD) on  
Portal**

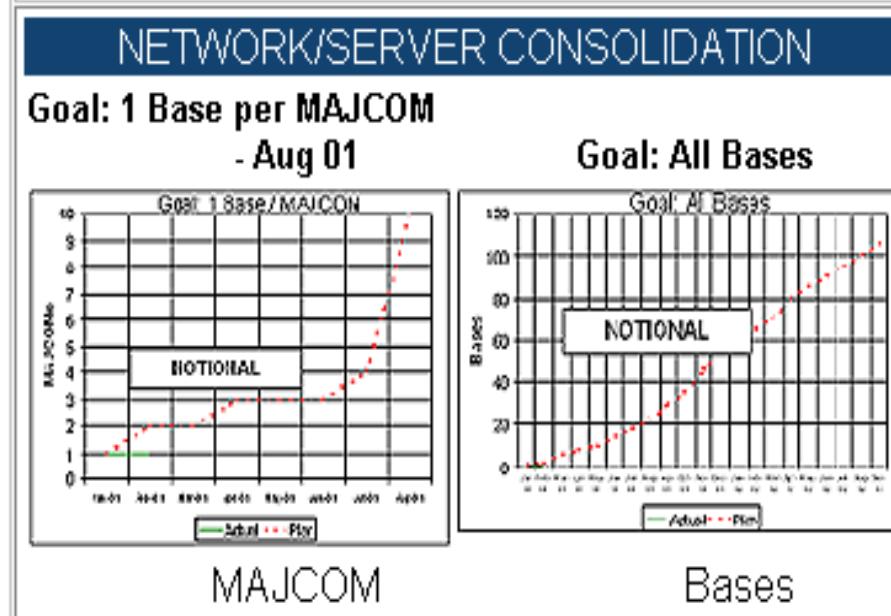
## Next Steps:

- **Identify 5-10 Key Measures with  
AF CIOs**
- **Measures Tied to Mission  
Processes**
- **Display Benefits in Warfighter**



More...

More...



### OTHER CIO INITIATIVES

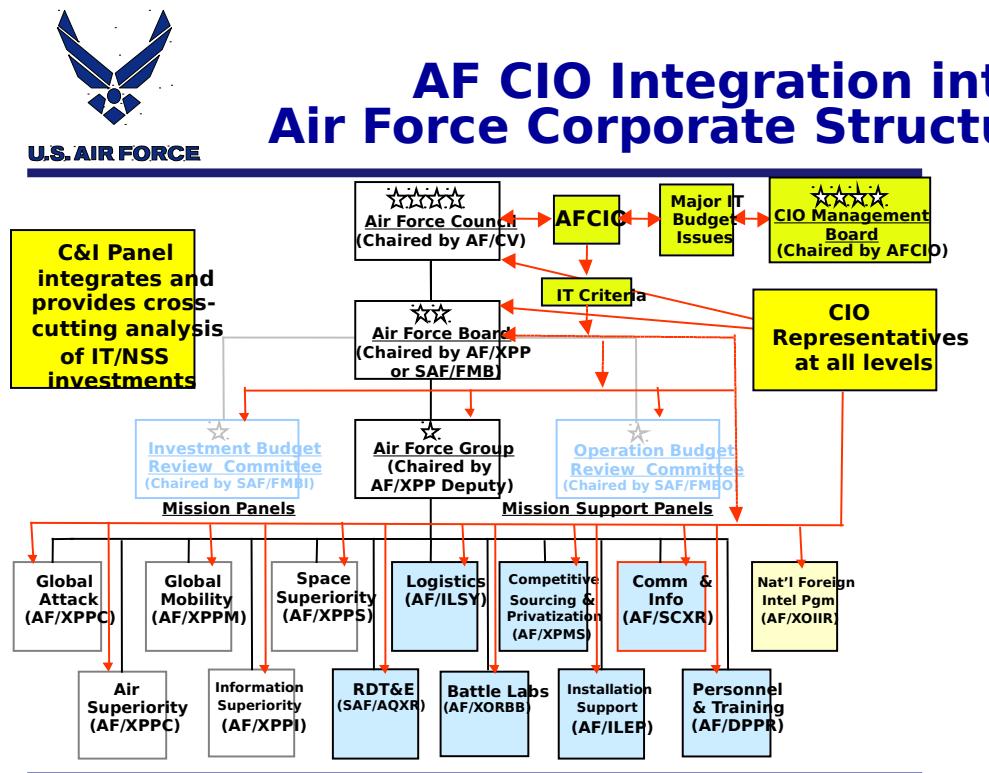
- [Strengthen CIO Structure](#)
- [AF IT Expenditure Visibility](#)



# CIO FY03 APOM Effort

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- Goal: Increased Visibility of IT \$ Within Corporate Process
  - Better allocation of resources
  - Eliminate Duplication
  - Provides CIO Perspective to Senior Decision Makers
- Will focus on integration, efficiency opportunities, and achieving the AF IT Vision
- MAJCOM CIO review in conjunction with APOM build
- CIO participation at all levels of AF Corporate Structure



Integrity - Service - Excellence

MAJCOMs to develop similar process



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# ***IT Acquisition Reform - A Timely Opportunity***



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# ***IT Acquisition Reform-- Why The Time Is Right***

- Defense Secretary's Acquisition/  
Procurement Reform Initiative
- General recognition that IT will provide  
leverage for DoD cost reductions
- Widely-held belief that current IT  
acquisition process are not working

Small Window to Influence DoD Leadership



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# ***Relevant Lessons From Industry***

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- **Development cycle time--90 days**
- **ROI--one year or less**
- **Process improvements drive development**
- **Senior (line) leadership/commitment is key**
  - **Tight coupling between developer and user/owner**
- **Follow industry technical standards**
- **Quarterly progress reviews against metrics**



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# ***Relevant Lessons From Industry - Continued***

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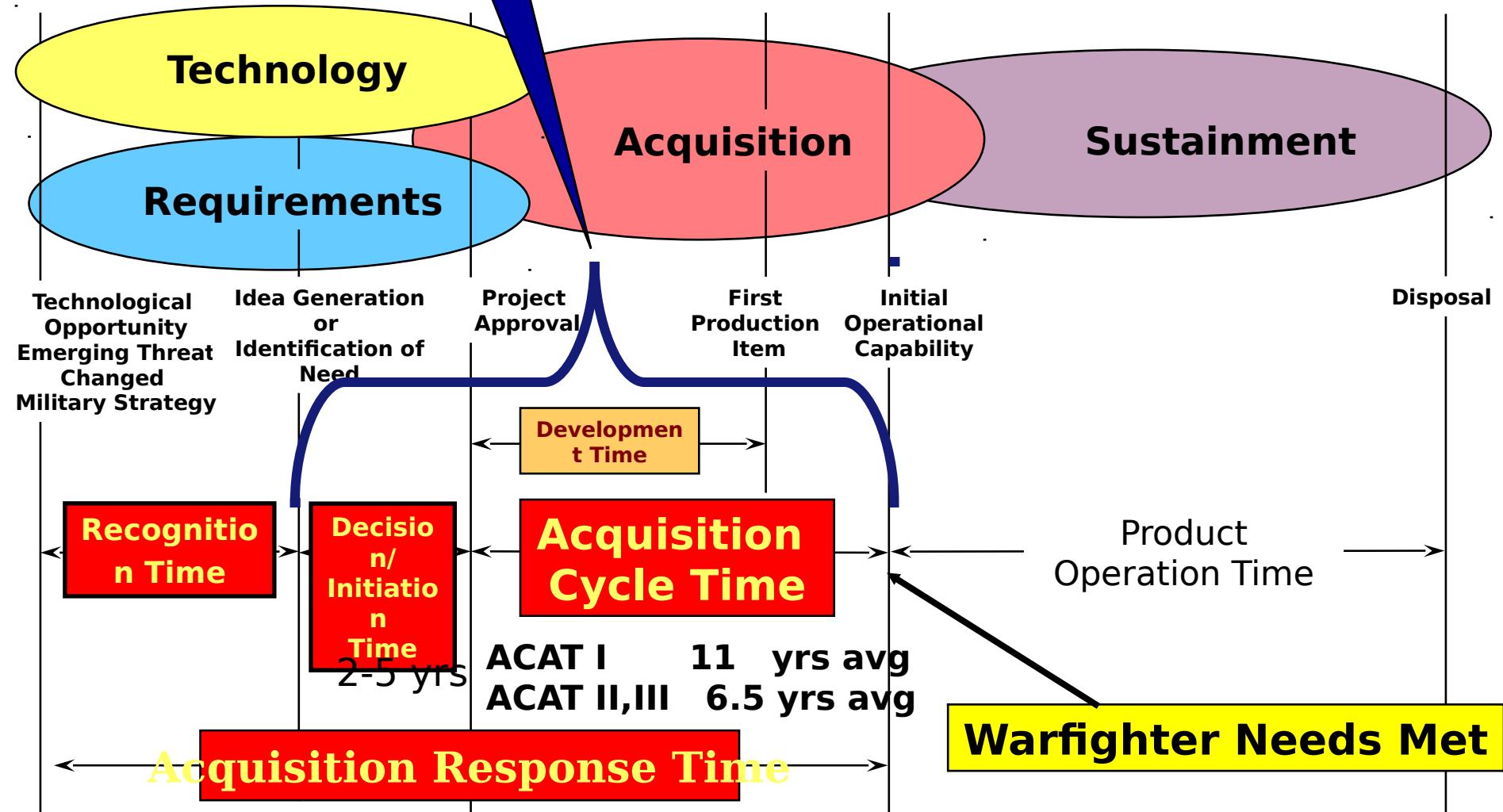
- Standards-based, consolidated infrastructure operated as mission critical utility
- Investment decisions made annually (for the upcoming FY) and adjusted quarterly
- Philosophy--Think big, start small, scale fast, and use metrics



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Industry  
90 days!

# IT Acquisition Reform Challenges to Overcome





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# *Observations on Current DoD IT Acquisition Process*

- **Assumes (encourages) large, multi-year programs**
  - Requirements (ORD) usually takes 1 year
  - Funding planned/defended 2-3 years prior
  - Baseline not flexible to changing environment
- **Hinders tight linkage to user/customer and top management**
  - Requirements “handed over” to developers
  - Professional overseers and evaluators
- **Business process improvements difficult to accomplish**
  - User/Process Owner lacks dynamic control over development and fielding direction/decisions
  - Long program cycle time

**Process Fundamentally Inconsistent with  
Goals as well as Industry Practices**



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# ***“Radical” Ideas for***

## ***Consideration/Discussion***

- Discontinue use of DoD 5000 for IT
  - Send Clear message of need for change
  - Break weapon system paradigms that inhibit smart IT acquisition
  - Eliminate ORD in favor of Reengineering Plan
- Move all IT acquisition funds to O & M
  - Provide flexibility consistent with objectives
  - Permit “investment” trades within areas of planned efficiencies



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# ***“Radical” Ideas - Continued 2***

- Charge user/owner with oversight and control of IT projects
  - Migrate some of current professional oversight staff to be “advisors” to line managers
  - Use quarterly performance metrics tied to expected progress/benefits to “grade” progress
  - Let user/owner redirect project based on progress and evolving needs of user/owner



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# ***“Radical” Ideas - Continued 3***

- All AF infrastructure\* “owned” and managed by a single AF organization
  - Operated as standard utility using charge back methods based on total cost of ownership
  - Measures of service (SLAs) defined and priced on annual basis
  - Operators/users determine demand (and therefore capacity/performance characteristics)

**\*Infrastructure--networks, servers, desktop for fixed and deployable sites**



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# ***“Radical” Ideas - Continued 4***

- AF IT Acquisition Community contracted by (“hired” by) users/process owners on Fee for Service basis
  - Provide expertise in contracting, contract management, technology
  - Responsible and funded for architecture, standards and integration
  - IT program managers tightly linked to operational users with quarterly cycle time (collocate with user/owner in some cases)



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# ***“Radical” Ideas - Continued 5***

- Preferred contract approach is “share in savings” or “value based”
  - 12 months or less ROI
  - Long term contracts with annual renewal options
  - Metrics driven evaluation of performance
  - Architecture-based development following (primarily) industry standards (minimum standards published by AF)



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# **Recommended Next Steps**

- Presidents' Forum working groups review “radical ideas” and other concepts
  - Define a top level set of recommendations
  - Identify additional actions necessary to develop recommendations
  
- Forum review endorse top-level approach
  - Task teams to complete necessary actions within next 2 weeks
  - Circulate final product by 10 April



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# Take Away

## ■ Air Force Transformation Underway

- We've accomplished a lot in the last 9 months
  - Developed portal...increased capability (using 90 day blocks)
- We've benchmarked Industry's successes
- Made lots of progress in reengineering consolidation
- We have a plan... and are executing

## ■ Radical Changes to DoD IT Acquisition Needed to Support Transformation



*"This is not about changing information technology or the transformation. It's about increasing our combat power by leveraging the advantages information technology offers."*

Michael E. Ryan, General, Chief of Staff